



# **Progress report NL-EITI for the year 2022**

April 2023

Table of Contents

- 1. NL-EITI: Transparency initiative for mineral extraction in the Netherlands ..... 3
- 2. Broader scope..... 4
- 3. Progress in 2022 ..... 4
- 4. Costs in 2022 ..... 5
- 5. Work plan 2022 ..... 5
- 6. Implemented action points from the outcomes of validation 2021 ..... 9
  - 1. Result & Impact ..... 9
  - 2. Stakeholder involvement ..... 10
  - 3. Transparency ..... 11
- Composition of multistakeholder group 2022 ..... 12

## 1. NL-EITI: Transparency initiative for mineral extraction in the Netherlands

NL-EITI is the Dutch transparency initiative for mineral extraction. EITI stands for the Extractive Industries Transparency Initiative. According to the Van Dale dictionary, a mineral is a valuable substance extracted from the Earth. For the Netherlands, this refers to the extraction of natural gas, oil and salt. On behalf of the Netherlands, a national multistakeholder group is responsible for implementing the global EITI Standard. The multistakeholder group (MSG) consists of representatives of government, industry and civil society organisations. All decisions are taken by consensus.



The Dutch government has been closely involved with EITI since its inception in 2002. Since 2011, the Netherlands has been represented in the international EITI organisation as a donor country. In 2018, the Netherlands also became member of this global initiative. There were more than 50 member countries at the start of 2022. Membership implies application of the EITI Standard. The first NL-EITI report dealt with the year 2017. The purpose of Dutch implementation is: *'to make factual information available about mineral extraction in the Netherlands and the revenue from mineral extraction for the extractive industries and the Dutch government. The NL-EITI thereby wishes to contribute to the social dialogue on the importance of the extractive industries for Dutch society.'*

The international EITI organisation assessed the Netherlands in 2021 on the implementation of the EITI Standard. The prevalidation was positive, although the final judgement was less so. This came as a surprise for the MSG NL-EITI. A number of elements played a role. The 2018 report, which was the subject of the assessment, was based on the EITI Standard for 2016. The overall assessment, however, was made on the basis of the tighter EITI Standard for 2019. Moreover, this is the first assessment of the NL-EITI. In addition, the tone of the assessment decision was unhelpful and as a result of the COVID-19 situation, all contacts were remote. The international EITI Secretariat also recognises these three latter points. For its part, the MSG NL-EITI also recognises that the contribution to social dialogue is still at a very early stage. Furthermore, in certain cases, the Dutch situation requires a better explanation in terms of transparency.

## 2. Broader scope

The MSG NL-EITI was at a crossroads in 2022, and assessed whether the scope could be broadened, in order to better contribute to the social dialogue. In 2022, an assessment was made of whether the NL-EITI could make a contribution to the social dialogue on the energy transition and the role played in that transition by mineral extraction. An energy system includes the entire energy value chain; in other words, everything that is needed to deliver energy from generation to use. It also includes the minerals and raw materials that have to be introduced into the system. Over and above the existing level of reconciliation, this can be achieved by specifically gathering and/or providing access to relevant payment stream data. In that connection, the focus can be broadened to payment streams from the government to the energy system. That information can then be used to promote and/or facilitate debate. The outcome is that the MSG NL-EITI intends to broaden its scope.

At the end of 2022, the meeting decided to broaden the scope to include the development of the Dutch energy system into an emission-neutral system, with specific attention for the financial flows. There will also be a focus on those points in the energy transition where oil and gas will be replaced, and with attention for the production side with consumption as a reference. An incremental approach will be followed, in identifying the big pieces and creating access to the relevant payment streams and other data. Active involvement by government is an essential precondition for access to sufficient manpower and expertise.

## 3. Progress in 2022

- Five meetings of the multistakeholder group took place, plus one special away day and a meeting with the International Secretariat.  
The regular meetings are hybrid, offering MSG members the possibility of joining the meeting remotely.
- Because the scope first had to be determined, a number of vacancies were left open. Now that the scope has been determined, the first half of 2023 can be used for filling the vacancies that have arisen.
- The NL-EITI report on 2021 was published at the end of December 2022, in accordance with the EITI Standard. A context description was also added.
- The website was further improved in terms of design and up-to-date content.
- In June, the coordinator attended the meeting in Brussels. The coordinator was also present in Oslo in October during the first physical meeting of the national coordinators since the COVID-19 pandemic.
- In 2022, the subgroup Communication focused on research into name awareness of the NL-EITI among the Dutch public. This subgroup also contributed to the determination of the scope.
- The subgroup Systematic data access focused on accelerating the reconciliation and development of an open data platform. At the end of 2022, the MSG NL-EITI decided to implement the acceleration for reconciliation year 2022, starting in the first half of 2022. The decision was taken to develop an open data platform with its own 'front end'. This open data platform will be further developed in 2023.

### Staff changes 2022

#### Multistakeholder group NL-EITI

Name	Section	Role/representative	In	Out
Carmen Hagenaars	government	member, Ministry of Foreign Affairs		2022
Sjarah Soede	government	member, Ministry of Foreign Affairs	2022	
Marieke van den Akker	industry	member, Element NL		2022
Tijmen Zaal	industry	member, TAQA Energy		2022
Paul Vlaanderen	civil society	deputy member, Transparency Int.		2022
Lotte Rooijendijk	civil society	member, Transparency Int.		2022
Robert Jan Maaskant		observer, Energie Beheer Nederland		2022

#### NL-EITI Secretariat

Name	Organisation	Role	In	Out
Jelle Bezemer	RVO	national coordinator		2022
Anne Vis	RVO	communication consultant		2022
Philia Stekelenburg	RVO	content specialist		2022

## 4. Costs in 2022

Total costs of the implementation of the EITI Standard in the Netherlands for the year 2022 amounted to: 414,000 euros.

## 5. Work plan 2022

### Priorities

The objective and outcomes of the validation report of December 2021 were translated this year into the following priorities:

#### A. Result & Impact

##### 1. Increasing the visibility of the NL-EITI

With more attention generated for the website. Also how the involvement of the constituencies of the MSG members can be expanded. Further an investigation and analysis of where a contribution can be made to the social dialogue.

#### B. Stakeholder involvement

##### 1. Continuity and composition of multistakeholder group

Reconsider the continuity with a view to the next validation in 2024.

Also reassessment of the composition; now that the focus is shifting from financial data to policy and communication.

**C. Transparency**

1. Reconciliation

Focus on recommendations from the validation, such as publication of the ultimate beneficial owners (UBO register) and report on payments from businesses to government.

2. Systematic data access

With companies from the mineral extraction sector, the Ministry of Economic Affairs and Climate Policy and the Netherlands Association for Applied Scientific Research (TNO) determining whether the financial data requested by EITI cannot in fact be made public by the parties themselves, thereby reducing the burden on both the companies and government, and possibly eradicating the need for an annual reconciliation.

3. Clarifying the position and working methods of EBN

The validation once again reveals that we have not sufficiently succeeded in clearly describing the role of the State-owned company EBN. The ambition must be to remove any remaining doubts, in particular about the relationship between EBN and the licensees and about the revenue from the sales by EBN.

4. Explicit notification of where the EITI Standard is met

The validation report makes it clear that the past reports from the MSG apparently provide insufficient proof of where the EITI Standard has been implemented.

		version:				
		29-March-23	Roles			
			D=decision making	<b>Progress</b>		
			C=coordinating	ongoing		
			I=implementing	processing		
				pending		
				achieved		
Objective	Activity	Roles involved	Period	Progress	EITI requirement	
<i>Occupancy chairmanship and secretarial tasks MSG</i>	occupying chairmanship	Chairman (I)	June, September	achieved	1.1b	
	occupying secretariat	Secretariat (I)	continuous	achieved		
<i>Knowledge exchange with other secretariats</i>	exchange with International EITI Secretariat, EITI UK and D-EITI	Secretariat (I)	continuous	achieved		
<i>NL-EITI working plan 2022</i>	draw up working plan 2022	MSG (I/D), Secretariat (C/I)	April	achieved	1.5, 7.3, 7.4	

Objective	Activity	Roles involved	Period	Progress	EITI requirement
<i>Priority A1: Increasing the visibility of the NL-EITI</i>	Determine whether subgroup Communication will continue in current composition	MSG sections (I), Secretariat (C)	April		7.1, 7.3, 7.4
	Action plan for increasing visibility of the NL-EITI ready	subgroup Communication (C/I), MSG (D)	May		
	Initiate website management plan, including list of EITI requirements and where to find them on website	subgroup Communication (C/I)	continuous		
	Implementation of action plan for website ad MSG constituencies	subgroup Communication (C/I)	May-October	For website, implementation is pending. For constituencies, action plan still processing.	
	Preparation and implementation of event (10-14 October)	subgroup Communication (C/I)	June, September	deleted	
	Evaluation of implementation of action plan in MSG	MSG (I), subgroup Communication (C)	November		
<i>Priority B1: Composition and working method of multistakeholder group</i>	Reflection on working method and composition of MSG	MSG sections (I)	April		1.1-1.4, 7.3, 7.4
	Reflection on involvement (including constituencies) per section	MSG sections (I)	April		
	Action plan	MSG (D), chair (I)	April-May		
	Implementation of action plan	MSG (I), Secretariat (C)	June-November	Implementation in 2023	
<i>Priority C1: Reconciliation</i>	Determining initial scope and focus on corrective actions 14, 17 and 19 from the validation	Secretariat (C), Accountant (I), MSG (D)	March-April		2-6, 7.2-7.4
	Approaching non-operators for participation	Secretariat (I)	March		
	Collecting signed powers of attorney from oil and gas and salt companies	Secretariat (I)	March-April		

<b>Objective</b>	<b>Activity</b>	<b>Roles involved</b>	<b>Period</b>	<b>Progress</b>	<b>EITI requirement</b>
<i>Priority C1: Reconciliation</i>	Determining initial scope and focus on corrective actions 14, 17 and 19 from the validation	Secretariat (C), Accountant (I), MSG (D)	March-April		2-6, 7.2-7.4
	Approaching non-operators for participation	Secretariat (I)	March		
	Collecting signed powers of attorney from oil and gas and salt companies	Secretariat (I)	March-April		
	Submission of scope report	Accountant (I), Secretariat (C)	April		
	Information meeting for companies	Secretariat (C), Accountant (I), Businesses (industry) (I)	April		
<i>Priority C2: Systematic data access</i>	Composition subgroup Systematic data access	MSG sections (I), Secretariat (C)	April		7.2-7.4
	Report on inventory of possibilities and viability of systematic access to data at source + proposed follow-up	Subgroup Systematic data access (I/C), MSG (D)	April-June		
<i>Priority C3: Clarification of the position and working method of Energie Beheer Nederland</i>	Submit report on position and method, specifically for corrective actions 11, 15 and 19 and recommendations 3 and 4 from the validation	EBN/EZK (I), Secretariat (C), MSG (D)	April-June		2.6, 7.3, 7.4
<i>Priority C4: Explicit notification of where the EITI Standard is met</i>	Present inventory of reaction to validation report per corrective action/recommendation/EITI requirement where further explanation is sufficient or which is currently met.	MSG (D), Secretariat (I/C)	April-June		7.3, 7.4



## 6. Implemented action points from the outcomes of validation 2021

The table below provides an overview of the recommendations from the validation that still require work. For the remaining points, it is important to explicitly state that the EITI requirements have been satisfied. For corrective actions 13, 14 and 17, which relate to the work of the independent accountant, specific attention is paid in the reconciliation report for 2021.

### 1. Result & Impact

Corrective action from validation	Action implemented	Requirement
1. Making priorities visible in work plan.	Priorities included in the work plan for 2022.	1.5a
1. The work plan is a joint product of all sections.	All sections were consulted for the work plan and the work plan for 2022 was approved by all members.	1.5b
1. The work plan shows what is being done with the outcomes of the validation.	The outcomes of the validation have been processed in the work plan for 2022. In May 2022, representatives of the International Secretariat were brought up to date and informed of the actions of the MSG NL-EITI in respect of the outcomes of the validation.	1.5c iv
1. Identification of own and external financing/technical support.	Financing by Ministry of Economic Affairs and Climate Policy. Capacity is provided by RVO. Also deployment of expertise from MSG members. The Ministry of Economic Affairs and Climate Policy is equipping a data centre in 2023, that will also be used by the NL-EITI.	1.5d
4. Reinforcing the impact of the NL-EITI.	Will become visible in the priorities in the work plan. In 2022, MSG spoke regularly about broadening the scope. Will we stick to the current scope or will we broaden? At the end of 2022, the decision was eventually taken to broaden the scope, to increase the impact.	7.3
5. Show annual progress.	See this progress report on the implementation of the EITI Standard in the Netherlands in 2022.	7.4a
5. All sections can contribute to the annual progress report and the report will only be released following approval by all members.	This progress report was discussed and adopted at the MSG meeting on 29 March 2023. Changes proposed by the sections have been processed. Only after all sections have issued approval will the progress report be published.	7.4b
9. The Dutch government shows industry and civil society organisations that it is fully in favour of the implementation of the EITI Standard in the Netherlands. MSG will also do its best to broaden the outcomes of publications in the public domain.	Every year, a reconciliation report is published for oil, gas and salt, which is submitted to the Dutch House of Representatives. Accessibility to the website has also been improved. For 2023, a year agenda with external moments will be drawn up, during which the content of the reconciliation will be actively communicated.	1.4b ii

<b>Corrective action from validation</b>	<b>Action implemented</b>	<b>Requirement</b>
9. MSG members maintain solid contact with their constituents.	Involving constituencies remains a point for attention. Also included in the work plan. Following publication of the NL-EITI report for 2022, a meeting will be held for the constituents.	1.4b iii

## 2. Stakeholder involvement

<b>Corrective action from validation</b>	<b>Action implemented</b>	<b>Requirement</b>
2. The MSG sections ensure accessible EITI information and where necessary will report on specific topics.	The annual reconciliation report is available on the NL-EITI website. Other EITI information is also available on the site. For the NL-EITI report for 2021, a context description has been added with relevant topics.	7.1a i
2. Contribute to social dialogue by improving access to factual information about mineral extraction.	Every year, the reconciliation report is published. At the end of December 2022, the report on 2021 was published and made available on the NL-EITI website. In March 2023, attention was paid on the website to the submission of the report to the House of Representatives.	7.1a iii
6. The government is actively involved in implementation, from high-level political involvement to involvement in execution.	At present, the government is mainly involved at administrative level via the MSG. Where necessary, political involvement will be activated.	1.1
7. The industry section will ensure that the companies in question are fully committed to the implementation of the EITI Standard. Government will remove any obstacles.	At the end of 2022, it was decided to accelerate the reconciliation. In 2023, companies will be asked to submit their data for 2022 by mid-February 2023. Moreover, in 2023, representation of the companies will be broadened in line with the broader scope.	1.2
8. The civil society section will ensure that the civil society organisations involved are fully committed to the implementation of the EITI Standard. The Netherlands may consider broadening the scope to increase interest among civil society organisations to join EITI.	In 2023, the representation of civil society organisations will be broadened in line with the broader scope.	1.3

### 3. Transparency

<b>Corrective action from validation</b>	<b>Action implemented</b>	<b>Requirement</b>
11b. The Netherlands must provide an explanation for the differences between the EITI Standard and statutory conditions. An explanation will also be requested from the MSG about the cooperation agreements with EBN.	The reconciliation report will specify what is and what is not reconciled at project level. In addition, in the second half of 2022, it was decided to release the cooperation agreement model of EBN. The individual cooperation agreement will not be released in connection with competition-sensitive information, in line with European and Dutch legislation.	2.4c iii 2.4d i 2.4a
15. Production volumes and values of oil, gas and salt are available and accessible.	It has been noted that the Dutch definitions deviate from the international definitions employed by EITI. At the end of 2022 and in early 2023, detailed figures were supplied for the Dutch volumes and values in a manner that is consistently in line with the goods definition employed by the EITI. These were adjusted with retroactive effect, with support from the International Secretariat. Work is being carried out on the national definitions within the Dutch context.	3.2
19. The reconciled data are available down to project level.	The reconciliation report states what is and what is not reconciled at project level.	4.7
<b>Recommendation from validation</b>	<b>Action implemented</b>	<b>Requirement</b>
1. Improve systematic access to data to provide greater insight into legal framework and fiscal regime.	The context description from the NL-EITI report for 2021 shows the legal framework for taxes and specific mining charges. For the systematic accessibility of data, an open data platform has been chosen with its own 'front end'. This open data platform will be completed in 2023.	2.1
2. The Netherlands could consider focusing more attention on environmental effects.	This will be implemented by broadening the scope, also with specific attention for environmental effects. In addition, in the NL-EITI report for 2021, attention is paid to earthquakes as a consequence of gas extraction in Groningen.	Not specified
3. Provide greater insight into the relationship between EBN and the Dutch State.	The NL-EITI report for 2021 pays specific attention to EBN in the context description.	Not specified
4. Provide insight into the money flows in which EBN is involved.	The NL-EITI report for 2021 pays specific attention to the money flows in which EBN is involved in the context description and in the reconciliation report.	Not specified

## Composition of multistakeholder group 2022

<i>Name</i>	<i>Section</i>	<i>Appointment</i>	<i>Organisation</i>	<i>Period</i>
Mr J. Haenen		Chairman		January-December
Mr R. Cino	government	Member	Ministry of Economic Affairs and Climate Policy	January-December
Mr M.G. Hendrickx	government	Deputy	Ministry of Economic Affairs and Climate Policy	January-December
Ms C.B. Hagenaaars	government	Member	Ministry of Foreign Affairs	January-July
Ms S. Soede	government	Member	Ministry of Foreign Affairs	November-December
Mr T.E. Westerhuis	government	Deputy	Ministry of Foreign Affairs	January-December
Ms I.M.J. van Rijswijk	government	Member	Tax and Customs Administration	January-December
Mr M.C. van Driel	government	Deputy	Tax and Customs Administration	January-December
Ms M. van den Akker	industry	Member	Element NL	January-December
Mr A. Schreurs	industry	Deputy	Element NL	January-December
Mr W.M. van der Deijl	industry	Member	NAM	January-December
Mr J. M. Kutsch Lojenga	industry	Deputy	Shell	January-December
Mr G. Kwaks	civil society	Member	Open State Foundation	January-December
Mr S.M. Wiemers	civil society	Deputy	Open State Foundation	January-December
Ms J. de Lang	civil society	Member	FNV	January-December
Mr H. Korthof	civil society	Deputy	FNV	January-December
Ms L.A.P. Rooijendijk	civil society	Member	Transparency International	January-April
Mr P. Vlaanderen	civil society	Deputy	Transparency International	January-May

Transparency International Nederland indicated its intention to leave the MSG NL-EITI in the second quarter, after a period of more than 5.5 years in which TI-NL was actively involved with the MSG NL-EITI as part of the civil-society section.